GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2499
ANSWERED ON:31.07.2017
Setting Up of SEZs
Biju Shri Parayamparanbil Kuttappan;Jadhav Shri Prataprao Ganpatrao;Kher Smt. Kirron;Mishra Shri Anoop;Mohammed Shri Faizal P.P.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government proposes to set up district-wise Special Economic Zones (SEZs) in Vidarbha region of Maharashtra including those based on agriculture/cotton;
(b) if so, the details thereof, locationwise along with the time by which they are likely to be set up and the details of SEZs set up in the said region so far, locationwise;
(c) whether the Government also proposes to expand/develop SEZs in Kerala and if so, the details thereof along with the locations identified and the funds allocated and being released for the purpose and if not, the reasons therefor;
(d) whether the Government has received any requests for setting up of SEZs in Kerala and if so, the reaction of the Government thereto; and
(e) whether the Government has adopted a new policy for SEZs in the country and if so, the details thereof along with its salient features?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) and (b): No Madam. Special Economic Zones (SEZs) being set up under the SEZs Act, 2005 and SEZ Rule, 2006 are primarily private investment driven. The Central Government does not allocate funds for setting up of new SEZs.

(c) and (d): No proposal for setting up of new SEZs in the State of Kerala has been received in the last one year.

(e): The Special Economic Zones (SEZs) policy was launched in April, 2000. The Special Economic Zones Act, 2005, was passed by Parliament in May, 2005 which received Presidential assent on the 23rd of June, 2005. The SEZs Rules, 2006 came into effect on 10th February, 2006. The salient features of the SEZ scheme are:-

(i) SEZ is a designated duty free enclave to be treated as a territory outside the customs territory of India ;
(ii) SEZ Developers and Units will have Direct Tax and Indirect Tax concessions as prescribed in the SEZs Act, 2005.
(iii) No licence will be required for import of inputs for operations in SEZ ;
(iv) Domestic sales by SEZ units will be subject to applicable customs duties and Foreign Trade Policy in force;
(v) SEZ units will have freedom for subcontracting;
(vi) No routine examination by customs authorities of export/import cargo;
(vii) The Unit in SEZ shall achieve Positive Net Foreign Exchange to be calculated cumulatively for a period of five years from the commencement of production;

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